

A Professional Corporation

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January 4, 2006

Via Fax No. 454-6247 and U.S. Mail

Caleb L. Nichols, Esq. P.O. Box 1585 Erie, PA 16507

RE: Wagner v. Crawford Central School District, et al. C.A. No. 04-264 Erie

Dear Mr. Nichols:

I have reviewed your December 29, 2005 letter that you hand-delivered. While your letter purports to be a settlement demand, it simply is not. Your letter is nothing more than a summary of the demands in Plaintiff's complaint. Actually, it arguably is more demanding than the prayer for relief in Plaintiff's complaint in that you insist upon a consent order.

If you intend to provide my Defendants with a settlement demand via letter or otherwise, please do so by 5:00 p.m. on January 9th so that our entire group can assess it prior to our January 12th hearing with Judge McLaughlin.

As I advised you on December 23rd, the District is willing to permit Ms. Wagner an opportunity to make herself a viable candidate by complying with the remedial plan previously proposed by Mr. Heller and Ms. Good, including part-time employment in the District's after school program. In the event she would do so, the District would be willing to employ Ms. Wagner, initially as a long-term substitute, and then as a regular full-time employee. This would require the discontinuance of this action and the execution of a global agreement and release mutually satisfactory to all parties, except the Crawford Central Education Association, which would not be a party to the settlement.

RICHARD H. ZAMBOLDI JACK M. GORNALL HARRY K THOMAS MICHAEL A FETZNER JAMES T MARNEN MICHAEL J. VISNOSKY DONALD E WRIGHT JR. RICHARD W. PERHACS ROBERT G DWYER R PERRIN BAKER MARK E MIODUSZEWSKI CARL N MOORE DAVID M. MOSIER THOMAS A. TUPITZA GUY C. FUSTING RICHARD E BORDONARO BRIAN GLOWACKI JOHN O DODICK FRANCIS J. KLEMENSIĆ TIMOTHY M. SENNETT WILLIAM C WAGNER PATRICIA K. SMITH MARK T. WASSELL RICHARD A LANZILLO JOANNA K. BUDDE PETER A PENTZ MARKIG CLAYPOOL THOMAS C. HOFFMAN II MARK J. KUHAR CHRISTOPHER J. SINNOTT TIMOTHY M. ZIEZIULA JENNIFER E. GORNALL-ROUCH MARK A. DENLINGER JEROME C. WEGLEY TRACEY D. BOWES TRACY! REINHART NEALR DEVLIN

OF COUNSEL: WILLIAM C SENNETT EDWIN L.R. McKEAN

ANDREW F. GORNALL

NADIA A. HAVARD

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Your December 29th letter suggests strongly that Ms. Wagner has no interest in resolving this matter. Frankly, in light of the patently meritless nature of her claims, and their vulnerability to a motion for summary judgment, I am very surprised with her "all or nothing" approach in your December 29th letter. I am also, therefore, extremely doubtful that this case will settle.

Very truly yours,

KNOX McLAUGHLIN GORNALL & SENNETT, P.C.

MJK/hm # 650595

c: Charles E. Heller, III, Assistant Superintendent Crawford Central School District

Lori Metka, Educators' Legal Liability Claim Specialist School Claims Service, LLC

RE: Claim No.: PSBA 004763

D/Loss: 2/20/03